

Exhibit III

**Fee Application for the period
May 1, 2008 through May 31, 2008**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re)	Chapter 11
)	
W. R. Grace & Co. <u>et al.</u> ¹ ;)	Case No. 01-01139 (JKF)
)	
Debtors.)	Jointly Administered
)	

Objection Deadline:
August 11, 2008 at 4:00 p.m.
Hearing date: To be scheduled only if objections
are timely filed and served.

NOTICE OF FILING OF MONTHLY FEE APPLICATION

To: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Asbestos Personal Injury Claimants; (5) Counsel to the Official Committee of Asbestos Property Damage Claimants; (6) Counsel to the Official Committee of Equity Holders; and (7) Counsel to the Debtors-in-Possession Lenders (8) the Fee Auditor:

Capstone Advisory Group, LLC ("Capstone"), financial advisors to the Official Committee of Unsecured Creditors of the above captioned debtor and debtors in possession in the above-captioned chapter 11 cases, filed and served its Fifty-Second Interim Application for Allowance of Compensation and for Services Rendered and Reimbursement of Expenses

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Incurred for the period from May 1, 2008 through May 31, 2008 (the "Monthly Fee Application"). Capstone is seeking compensation in the amount of \$56,076.00, representing 80% of \$44,860.80, which is the total amount of fees incurred, and reimbursement for actual and actual and necessary expenses in the amount of \$167.26.

Objections or responses to the Monthly Fee Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **August 11, 2008 at 4:00 p.m.**

At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel for the Debtors, James H.M. Sprayregen, Esquire, Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601 (fax number 312-861-2200), and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801) (fax number 302-652-4400); (ii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038-4982 (fax number 212-806-6006), and Michael R. Lastowski, Esquire, Duane Morris LLP, 1100 N. Market Street, Suite 1200, Wilmington, Delaware 19801-1246 (fax number 302-657-4901); (iii) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Blizin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, Florida 33131 (fax number 305-374-7593), and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, Delaware 19899 (fax number 302-575-1714); (iv) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale,

399 Park Avenue, 36th Floor, New York, New York 10022 (fax number 212-644-6755) and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15th Floor, 1201 Market Street, Suite 1500, Wilmington, Delaware 19801 (fax number 302-426-9947); (v) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins , Sears Tower, Suite 5800, Chicago, Illinois 60606 (fax number 312-993-9767), and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. 25130, Wilmington, Delaware 19899 (fax number 302-658-6395); (vi) counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, New York 10022 (fax number 212-715-8000); and (vii) the Office of the United States Trustee, Attn: David Klauder, Esquire, 844 N. King Street, Wilmington, Delaware 19801 (fax number 302-573-6497); and (viii) the Fee Auditor, to Bobbi Ruhlander, Warren H. Smith and Associates, Republic Center, 325 N. St. Paul, Suite 1275, Dallas, TX 75201.

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Dated: July 22, 2008
Wilmington, DE

RESPECTFULLY SUBMITTED,



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Co-Counsel for the Official Committee of
Unsecured Creditors of W. R. Grace & Co., et al.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W.R. GRACE & Co., <u>et al.</u> ,)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors)	
_____)	

**FIFTY-SECOND INTERIM APPLICATION OF CAPSTONE ADVISORY GROUP, LLC,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Name of Applicant:	Capstone Advisory Group, LLC (formerly known as Capstone Corporate Recovery, LLC)
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Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
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Date of Retention:	June 8, 2004 (<u>nunc pro tunc</u> to February 4, 2004)
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Period for which compensation and reimbursement is sought:	May 1, 2008 through May 31, 2008
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Amount of Compensation sought as actual, reasonable and necessary (80% of \$ 56,076.00):	\$ 44,860.80
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Amount of Expense Reimbursement sought as actual, reasonable and necessary (100%):	<u>167.26</u>
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Total Amount Due:	\$ 45,028.06
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Capstone replaced FTI Consulting, Inc. ("FTI") as financial advisors to the Official Committee of Unsecured Creditors, nunc pro tunc to February 4, 2004, so ordered by the Court on June 8, 2004.

The total time expended and included herein for the February and March monthly fee statements, as well as the 17th Quarterly Fee Application is 7.4 hours and corresponding compensation requested is \$1,435.00.

This is the Fifty – Second Interim Application filed by Capstone. Disclosure for the current period and prior periods is as follows:

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

**ATTACHMENT A
TO FEE APPLICATION**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
June 10, 2004	February 4, 2004 through February 29, 2004	\$94,882.00	\$3,932.07	\$75,905.60
June 10, 2004	March 1, 2004 through March 31, 2004	\$136,415.50	\$1,819.00	\$109,132.40
Totals First Quarterly	February 4, 2004 through March 31, 2004	\$231,297.50	\$5,751.07	\$185,038.00
June 12, 2004	April 1, 2004 through April 30, 2004	\$61,925.00	\$678.33	\$49,540.00
July 13, 2004	May 1, 2004 Through May 31, 2004	\$32,665.00	\$477.15	\$26,132.00
August 5, 2004	June 1, 2004 through June 30, 2004	\$106,470.50	\$1,119.63	\$85,176.40
Totals Second Quarterly	April 1, 2004 through June 30, 2004	\$201,060.50	\$2,275.11	\$160,848.40
August 31, 2004	July 1, 2004 through July 31, 2004	\$68,533.50	\$667.60	\$54,826.80
September 24, 2004	August 1, 2004 through August 31, 2004	\$99,215.50	\$1,341.49	\$79,372.40
October 28, 2004	September 1, 2004 through September 30, 2004	\$44,918.25	\$658.72	\$35,934.60
Totals Third Quarterly	July 1, 2004 through September 30, 2004	\$212,667.25	\$2,667.81	\$170,133.80

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
December 6, 2004	October 1, 2004 through October 31, 2004	\$57,592.50	229.77	\$46,074.00
December 22, 2004	November 1, 2004 through November 30, 2004	\$84,366.50	\$745.91	\$67,493.20
January 28, 2005	December 1, 2004 Through December 31, 2004	\$82,351.00	\$ 1,943.96	\$65,880.80
Totals Fourth Quarterly	October 1, 2004 through December 31, 2004	\$224,310.00	\$2,919.64	\$179,448.00
February 25, 2005	January 1, 2005 through January 31, 2005	\$69,477.00	\$276.18	\$55,581.60
March 29, 2005	February 1 through February 28, 2005	\$77,228.50	\$1,727.60	\$61,782.80
May 6, 2005	March 1, 2005 through March 31, 2005	\$126,012.00	\$ 494.94	\$100,809.60
Totals Fifth Quarterly	January 1, 2005 through March 31, 2005	\$272,717.50	\$2,498.72	\$218,174.00
June 3, 2005	April 1, 2005 through April 30, 2005	\$ 87,936.00	\$ 435.16	\$ 70,348.80
July 6, 2005	May 1, 2005 through May 31, 2005	\$119,435.00	\$1,275.00	\$ 95,548.00
July 15, 2005	June 1, 2005 through June 30, 2005	\$89,859.00	\$542.69	\$71,887.20

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
Totals Sixth Quarterly	April 1, 2005 through June 30, 2005	\$297,230.00	\$2,252.85	\$237,784.00
September 19, 2005	July 1, 2005 through July 31, 2005	\$90,014.50	\$621.03	\$72,011.60
October 7, 2005	August 1, 2005 through August 31, 2005	\$126,233.00	\$1,532.46	\$100,986.40
October 31, 2005	September 1, 2005 through September 30, 2005	75,983.50	\$482.03	\$60,786.80
Totals Seventh Quarterly	July 1, 2005 through September 30, 2005	\$292,231.00	\$2,635.52	\$233,784.80
December 16, 2005	October 1, 2005 through October 31, 2005	95,742.50	\$750.36	76,594.00
December 30, 2005	November 1, 2005 through November 30, 2005	\$118,062.00	\$1,119.74	\$94,449.60
February 9, 2006	December 1, 2005 through December 31, 2005	\$122,018.50	\$938.82	\$97,614.80
Totals Eighth Quarterly	October 1, 2005 through December 31, 2005	\$335,823.00	\$2,808.92	\$268,658.40
March 21, 2006	January 1, 2006 through January 31, 2006	\$85,745.00	\$631.01	\$68,596.00
April 20, 2006	February 1, 2006 through February 28, 2006	\$173,916.50	\$2,359.69	\$139,133.20

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
May 9, 2006	March 1 through March 31, 2006	\$141,040.50	\$1,017.99	\$112,832.40
Totals Ninth Quarterly	January 1, 2006 through March 31, 2006	\$400,702.00	\$4,008.69	\$320,561.60
May 23, 2006	April 1, 2006 through April 30, 2006	\$125,055.00	\$1,929.46	\$100,044.00
June 21, 2006	May 1, 2005 Through May 31, 2006	\$146,396.50	\$965.43	\$117,117.20
July 20, 2006	June 1, 2006 Through June 30, 2006	\$140,368.50	\$1,263.86	\$140,368.50
Totals Tenth Quarterly	April 1, 2006 through June 30, 2006	\$411,820.00	\$4,158.75	\$329,456.00
	Adjustment for July photocopies		\$(6.55)	
August 25, 2006	July 1, 2006 through July 31, 2006	\$102,449.00	\$566.51	\$ 81,959.20
October 2, 2006	August 1, 2006 Through August 31, 2006	\$111,154.00	\$505.01	\$88,923.20
November 13, 2006	September 1, 2006 through September 30, 2006	\$75,103.50	\$633.57	\$ 60,082.80
Totals Eleventh Quarterly	July 1, 2006 through September 30, 2006	\$288,706.50	\$1,698.54	\$230,965.20

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
January 22, 2007	November 1, 2006 Through November 30, 2006	\$98,985.50	\$809.09	\$79,997.49
March 20, 2007	December 1, 2006 Through December 31, 2006	\$59,630.50	\$381.70	\$47,704.40
Totals Twelfth Quarterly	October 1, 2006 through December 31, 2006	\$221,771.50	\$1,397.19	\$177,417.20
April 20, 2007	January 1, 2007 through January 31, 2007	\$55,703.00	\$ 166.00	\$44,562.40
April 20, 2007	February 1, 2007 through February 28, 2007	\$87,120.50	\$ 344.89	\$69,696.40
June 29, 2007	March 1, 2007 through March 31, 2007	\$119,047.50	\$472.38	\$95,238.00
Totals Thirteenth Quarterly	January 1, 2007 through March 31, 2007	\$261,871.00	\$983.27	\$209,496.80
June 29, 2007	April 1, 2007 through April 30, 2007	\$77,267.00	\$221.70	\$61,813.60
July 3, 2007	May 1, 2007 through May 31, 2007	\$101,181.00	\$838.49	\$80,944.80
August 31, 2007	June 1, 2007 through June 30, 2007	\$90,040.50	\$744.21	\$72,032.40
Totals Fourteenth Quarterly	April 1, 2007 Through June 30, 2007	\$268,488.50	\$1804.40	\$214,790.80

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
October 23, 2007	July 1, 2007 through July 31, 2007	\$78,971.00	\$636.29	\$63,176.80
October 23, 2007	August 1, 2007 through August 31, 2007	\$74,596.00	\$184.06	\$59,676.80
November 7, 2007	September 1, 2007 through September 30, 2007	\$78,887.50	\$396.82	\$63,110.00
Total Fifteenth Quarterly	July 1, 2007 through September 30, 2007	\$232,454.50	\$1217.17	\$185,963.60
January 23, 2008	October 1, 2007 through October 31, 2007	\$51,391.50	\$293.56	\$41,113.20
January 23, 2008	November 1, 2007 through November 30, 2007	\$82,993.00	\$407.99	\$66,394.40
February 7, 2008	December 1, 2007 through December 31, 2007	\$53,730.50	\$308.15	\$42,984.40
Totals Sixteenth Quarterly	October 1, 2007 Through December 31, 2007	\$188,115.00	\$1009.70	\$150,492.00
March 4, 2008	January 1, 2008 through January 31, 2008	\$62,899.50	\$174.14	\$50,319.60
April 14, 2008	February 1, 2008 through February 29, 2008	\$83,686.00	\$423.31	\$66,948.80
May 23, 2008	March 1, 2008 through March 31, 2008	\$88,842.50	\$442.15	\$64,674.00

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(FOR THE PERIOD FROM MAY 1, 2008 THROUGH MAY 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
Totals Seventeenth Quarterly	January 1, 2008 Through March 31, 2008	\$227,428.00	\$1,039.60	\$181,942.40
June 26, 2008	April 1, 2008 through April 30, 2008	\$ 93,943.50	\$325.30	\$ 75,154.80
July 10, 2008	May 1, 2008 Through May 31, 2008	\$ 56,076.00	\$167.26	\$ 44,860.80

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ATTACHMENT B

1. Summary of Fees by Professional
2. Summary of Fees by Task Code
3. Detailed Task Descriptions
4. Summary of Expenses

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Professional
For the Period 5/1/08 through 5/31/08

Professional	Position	Billing Rate	Hours	Fees
E. Ordway	Member	\$650	10.10	\$6,565.00
S. Cunningham	Member	\$650	15.10	\$9,815.00
R. Frezza	Consultant	\$550	27.80	\$15,290.00
J. Dolan	Consultant	\$395	60.20	\$23,779.00
M. Desalvio	Research	\$165	0.20	\$33.00
N. Backer	Paraprofessional	\$110	5.40	\$594.00
For the Period 5/1/08 through 5/31/08			118.80	\$56,076.00

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Task Code
For the Period 5/1/08 through 5/31/08

Task Code	Task Description	Hours	Fees
03. Claims Analysis & Valuation	During the Fee Application period, the Applicant prepared various analyses of claims, reviewed recovery scenarios under various assumptions and prepared various interest scenarios.	14.20	\$6,756.50
04. Creditor Committee Matters	During the Fee Application period, the Applicant read and analyzed recent docket submissions and counsel reports and discussed case matters.	6.70	\$2,894.50
05. Employee Matters/KERP/Other	During the Fee Application period, the Applicant analyzed pension funding request motion and prepared a report to the Committee thereon.	19.20	\$9,232.00
06. Environmental Mtrs/Regs/Litig.	During the Fee Application period, the Applicant analyzed the terms, motions and schedules related to the Libby settlement, and participated in a meeting with the Debtors regarding the settlement.	18.50	\$9,865.00
07. Fee Applications & Invoices	During the Fee Application Period, the Applicant prepared the February and March Fee Statements, as well as the 17th Quarterly Fee Application.	7.40	\$1,435.00
08. Financial Analysis - Schedules & Statements	During the Fee Application Period, the Applicant analyzed data regarding Q1 results including financial packages and 10Q, as well as a review of industry reports. A report to Committee was prepared thereon.	13.10	\$5,688.50
09. Financial Analysis - Business Plan	During the Fee Application Period, the Applicant read and analyzed the 2008 Business Plan, participated in call with Debtors, prepared various analyses for inclusion in the Business Plan Report to the Committee.	36.80	\$18,826.50
26. Meetings with Debtors/Advisors	During the Fee Application Period, the Applicant met with the Debtor to discuss the 2008 Plan.	2.90	\$1,378.00
For the Period 5/1/08 through 5/31/08		118.80	\$56,076.00

W.R. Grace & Co.
Capstone Advisory Group, LLC
Detailed Time Description by Task Code
For the Period 5/1/08 through 5/31/08

Date	Professional	Hours	Detailed Time Description
03. Claims Analysis & Valuation			
5/1/2008	R. Frezza	0.50	Discussed interest memo with counsel.
5/2/2008	R. Frezza	2.80	Read and analyzed counsel interest memo.
5/4/2008	J. Dolan	2.30	Read and analyzed counsel's memo on interest rates and provided comments thereon.
5/5/2008	R. Frezza	2.50	Completed analysis of interest memo and provided comments to counsel.
5/5/2008	M. Desalvio	0.20	Researched LIBOR rates.
5/5/2008	J. Dolan	2.10	Read and analyzed interest memo with counsel and revisions thereof.
5/7/2008	J. Dolan	0.60	Prepared interest calculation at the request of counsel.
5/8/2008	R. Frezza	0.90	Read and analyzed updated Grace Recovery Scenarios prepared at counsel's request and sent to counsel.
5/8/2008	J. Dolan	1.30	Prepared interest analysis and updated recovery analysis based on change in rates.
5/9/2008	R. Frezza	1.00	Followed up on questions regarding business plan presentation; discussed iterations of interest scenarios and related impact on Recovery Scenarios.
Subtotal		14.20	
04. Creditor Committee Matters			
5/8/2008	J. Dolan	1.10	Read and analyzed recent docket submissions.
5/12/2008	R. Frezza	1.60	Prepared with counsel for Thursday Libby Settlement meetings; discussed alternate interest scenarios; updated counsel on 2008 Plan issues and discussed next steps regarding plan analysis.
5/12/2008	J. Dolan	1.20	Participated in update with counsel regarding case matters.
5/19/2008	J. Dolan	0.80	Read and analyzed recent docket submissions.
5/27/2008	J. Dolan	1.00	Read and analyzed recent docket submissions.
5/28/2008	J. Dolan	1.00	Read and analyzed recent docket submissions.

Date	Professional	Hours	Detailed Time Description
Subtotal		6.70	
05. Employee Matters/KERP/Other			
5/7/2008	R. Frezza	1.10	Read and analyzed Pension funding Motion and drafted follow-up questions to Blackstone.
5/8/2008	J. Dolan	1.70	Read and analyzed draft pension funding memo and requested actuary reports from Blackstone.
5/27/2008	R. Frezza	2.70	Read and analyzed Pension motion and related documents, read and analyzed Capstone report; posed additional questions to Company regarding pension topic.
5/27/2008	E. Ordway	0.70	Read pension motion and directed staff in preparation of report thereon.
5/27/2008	J. Dolan	4.20	Read and analyzed pension motion and prepared report to the Committee regarding request for funding of contributions.
5/28/2008	R. Frezza	0.70	Continued review of Pension Motion and related documents.
5/29/2008	J. Dolan	2.30	Prepared analysis of proposed pension contributions for 2008 Plan year and prepared report to the Committee.
5/29/2008	R. Frezza	1.70	Read and analyzed Pension Motion report iterations.
5/29/2008	E. Ordway	0.90	Continued to read pension motion.
5/30/2008	R. Frezza	1.80	Continued review of Pension Motion iterations and business plan analyses.
5/30/2008	J. Dolan	1.40	Finalized pension report to the Committee.
Subtotal		19.20	
06. Environmental Mtrs/Regs/Litig.			
5/1/2008	E. Ordway	0.10	Communications regarding Libby settlement proposal meeting.
5/1/2008	E. Ordway	0.30	Discussion with Committee member regarding proposed Libby settlement.
5/8/2008	R. Frezza	0.70	Read, analyzed and discussed final version of Libby Settlement memo to committee; read and analyzed counsel's email memo on PD/ZAI settlement hearing summary.
5/8/2008	E. Ordway	0.20	Read and analyzed counsels' report regarding property damage mediation.
5/9/2008	J. Dolan	1.00	Read and analyzed counsel's memo to the committee regarding EPA response period.
5/9/2008	R. Frezza	0.50	Coordinated with counsel regarding Libby Settlement next week.

Date	Professional	Hours	Detailed Time Description
5/9/2008	S. Cunningham	2.00	Read and analyzed Libby information in preparation for upcoming committee and company meeting.
5/12/2008	S. Cunningham	2.40	Read and analyzed Libby environmental issues in preparation for meeting with Company.
5/12/2008	E. Ordway	1.20	Read and analyzed Libby settlement data and Capstone analysis thereof and listed items for staff to address at the Debtors' meeting.
5/12/2008	J. Dolan	1.30	Participated in update with team regarding status of Libby settlement and prepared for meeting with Company and Committee.
5/12/2008	J. Dolan	0.90	Read and analyzed Libby analyses in preparation for meeting with Company.
5/15/2008	S. Cunningham	2.30	Participated in meeting with Company and counsel regarding Libby issues.
5/15/2008	J. Dolan	4.80	Prepared for and participated in meeting with the Company regarding Libby settlement and post-meeting discussion with Committee members.
5/22/2008	E. Ordway	0.50	Read counsel's report regarding property damage claim settlement issues.
5/29/2008	E. Ordway	0.30	Read counsel's report regarding June 2nd court hearing agenda.
Subtotal		18.50	
07. Fee Applications & Invoices			
5/21/2008	N. Backer	0.50	Prepared 17th Quarterly fee application.
5/21/2008	N. Backer	0.50	Prepared February Statement.
5/22/2008	N. Backer	1.30	Prepared March fee statement.
5/22/2008	N. Backer	2.00	Prepared 17th Quarterly Fee Application.
5/27/2008	J. Dolan	1.80	Finalized March monthly fee application and prepared 17th Quarterly fee application.
5/28/2008	N. Backer	1.10	Prepared 17th Quarterly fee application.
5/29/2008	E. Ordway	0.20	Prepared fee application.
Subtotal		7.40	
08. Financial Analysis - Schedules & Statements			
5/7/2008	J. Dolan	2.10	Read and analyzed March 2008 monthly operating statements.
5/9/2008	J. Dolan	1.40	Read and analyzed 1Q08 10Q.

Date	Professional	Hours	Detailed Time Description
5/12/2008	J. Dolan	3.40	Read and analyzed Form 10Q 1st quarter 2008.
5/19/2008	R. Frezza	0.50	Began review of Q1 2008 quarterly financial package.
5/20/2008	R. Frezza	1.50	Continued review of Q1 2008 quarterly financial package.
5/21/2008	J. Dolan	3.40	Read and analyzed 1Q08 Executive financial statements received from the Company.
5/24/2008	E. Ordway	0.80	Read and analyzed 1st Quarter financial statements.
Subtotal		13.10	

09. Financial Analysis - Business Plan

5/4/2008	J. Dolan	1.10	Read and analyzed business plan presentation in anticipation of Debtor meeting.
5/5/2008	J. Dolan	2.60	Read and analyzed business plan data as compared to prior year results.
5/6/2008	S. Cunningham	4.40	Read and analyzed FY 2008 plan.
5/6/2008	E. Ordway	0.80	Analyzed Debtors' business plan and prepared list of items for staff to investigate.
5/6/2008	J. Dolan	2.70	Prepared various analyses on Plan including Plan vs Prior year and cash analysis.
5/7/2008	E. Ordway	0.40	Read and analyzed March operating report and listed items for staff to investigate.
5/8/2008	E. Ordway	0.90	Continued to analyze March operating report.
5/8/2008	J. Dolan	1.80	Prepared information request to Blackstone regarding 2008 Business Plan.
5/9/2008	S. Cunningham	1.60	Read and analyzed FY 2008 plan.
5/13/2008	E. Ordway	1.10	Prepared outline of key items to include in our report to the Committee regarding 2008 business plan.
5/13/2008	J. Dolan	1.00	Prepared analysis and related commentary related to the 2008 Business Plan Report to the Committee.
5/14/2008	J. Dolan	2.30	Prepared various analyses for 2008 Business Plan report to Committee.
5/16/2008	E. Ordway	0.70	Continued to analyze the 2008 business plan.
5/16/2008	S. Cunningham	2.40	Read and analyzed FY 2008 plan.

Date	Professional	Hours	Detailed Time Description
5/16/2008	R. Frezza	2.40	Read and analyzed detailed responses to Capstone data requests regarding 2008 Plan.
5/19/2008	E. Ordway	0.60	Continued to analyze the 2008 business plan.
5/19/2008	J. Dolan	2.30	Prepared various analyses for Business Plan Report to the Committee for 2008 including trend analyses and industry multiples and valuations.
5/20/2008	J. Dolan	3.90	Read and analyzed information received from Blackstone as requested regarding the 2008 Business Plan review.
5/21/2008	R. Frezza	0.80	Read and analyzed responses to business plan review questions.
5/22/2008	E. Ordway	0.40	Continued to analyze the 2008 business plan.
5/23/2008	R. Frezza	1.50	Analyzed business plan.
5/28/2008	R. Frezza	1.10	Continued preparation of FY2008 Plan review.
Subtotal		36.80	
26. Meetings with Debtors/Advisors			
5/6/2008	R. Frezza	1.50	Prepared for and participated in conference call with Company regarding the 2008 Business Plan.
5/6/2008	J. Dolan	1.40	Prepared for and participated in meeting with Debtors regarding 2008 Business Plan.
Subtotal		2.90	
Total Hours		118.80	

W.R. Grace & Co.
Capstone Advisory Group, LLC
Expense Detail
For the Period 5/1/08 through 5/31/08

Date	Professional	Detail	Amount
Capstone Expense			
5/20/2008	Scans	May Scans: 2 @ 1.00 ea	\$2.00
5/21/2008	Research	Pacer for May	\$14.32
5/28/2008	Telecom	March Telephone - Saddle Brook Office	\$120.94
Subtotal - Capstone Expense			\$137.26
J. Dolan			
5/15/2008	Airfare/Train	Trainfare for meeting in NYC	\$27.50
5/15/2008	Parking/Tolls	Parking for meeting in NYC	\$2.50
Subtotal - J. Dolan			\$30.00
For the Period 5/1/08 through 5/31/08			\$167.26